



The Final RESPA Rule



Principles of RESPA Reform

- Help consumers shop for the best loan
- Shopping leads to greater competition & lower prices



Principles of RESPA Reform

- Key final terms of the loan disclosed to the borrower at closing
- Preserve a competitive market for all settlement service providers



Effective Dates

Effective Dates

January 16, 2009

- Servicing Disclosure Statement (Section 6)
- average charge
- technical changes

January 1, 2010

- new GFE
- new HUD-1/1A
- 1% cap on FHA origination fees (2.5% - new construction)
- everything else

APPENDIX MS-1 TO PART 3500

[Sample language; use business stationery or similar heading]

[Date]

SERVICING DISCLOSURE STATEMENT

NOTICE TO FIRST LIEN MORTGAGE LOAN APPLICANTS: THE RIGHT TO COLLECT YOUR MORTGAGE LOAN PAYMENTS MAY BE TRANSFERRED.

You are applying for a mortgage loan covered by the Real Estate Settlement Procedures Act (RESPA) (12 U.S.C. 2601 et seq.). RESPA gives you certain rights under Federal law. This statement describes whether the servicing for this loan may be transferred to a different loan servicer. ``Servicing" refers to collecting your principal, interest, and escrow payments, if any, as well as sending any monthly or annual statements, tracking account balances, and handling other aspects of your loan. You will be given advance notice before a transfer occurs.

Servicing Transfer Information

[We may assign, sell, or transfer the servicing of your loan while the loan is outstanding.]

[or]

[We do not service mortgage loans of the type for which you applied. We intend to assign, sell, or transfer the servicing of your mortgage loan before the first payment is due.]

[or]

[The loan for which you have applied will be serviced at this financial institution and we do not intend to sell, transfer, or assign the servicing of the loan.]

[INSTRUCTIONS TO PREPARER: Insert the date and select the appropriate language under ``Servicing Transfer Information." The model format may be annotated with further information that clarifies or enhances the model language.]



Servicing Disclosure Statement



Requirements

- provided 3 business days by hand, mail, fax, email
- not required if application denied or withdrawn
- format: specific language not required



Good Faith Estimate (GFE)

[Print Form](#)

Name of Originator
Originator Address
Originator Phone Number
Originator Email

Borrower
Property Address
Date of GFE

Purpose

This GFE gives you an estimate of your settlement charges and loan terms if you are approved for this loan. For more information, see HUD's *Special Information Booklet* on settlement charges, your *Truth-in-Lending Disclosures*, and other consumer information at www.hud.gov/respa. If you decide you would like to proceed with this loan, contact us.

Shopping for your loan

Only you can shop for the best loan for you. Compare this GFE with other loan offers, so you can find the best loan. Use the shopping chart on page 3 to compare all the offers you receive.

Important dates

1. The interest rate for this GFE is available through . After this time, the interest rate, some of your loan Origination Charges, and the monthly payment shown below can change until you lock your interest rate.
2. This estimate for all other settlement charges is available through .
3. After you lock your interest rate, you must go to settlement within days (your rate lock period) to receive the locked interest rate.
4. You must lock the interest rate at least days before settlement.

Summary of your loan

Your initial loan amount is	\$	
Your loan term is		years
Your initial interest rate is		%
Your initial monthly amount owed for principal, interest, and any mortgage insurance is	\$	per month
Can your interest rate rise?	<input type="checkbox"/> No <input type="checkbox"/> Yes, it can rise to a maximum of %.	The first change will be in .
Even if you make payments on time, can your loan balance rise?	<input type="checkbox"/> No <input type="checkbox"/> Yes, it can rise to a maximum of \$	
Even if you make payments on time, can your monthly amount owed for principal, interest, and any mortgage insurance rise?	<input type="checkbox"/> No <input type="checkbox"/> Yes, the first increase can be in and the monthly amount owed can rise to \$. The maximum it can ever rise to is \$.	
Does your loan have a prepayment penalty?	<input type="checkbox"/> No <input type="checkbox"/> Yes, your maximum prepayment penalty is \$	
Does your loan have a balloon payment?	<input type="checkbox"/> No <input type="checkbox"/> Yes, you have a balloon payment of \$ due in years.	

Escrow account information

Some lenders require an escrow account to hold funds for paying property taxes or other property-related charges in addition to your monthly amount owed of \$.

Do we require you to have an escrow account for your loan?

☐ No, you do not have an escrow account. You must pay these charges directly when due.

☐ Yes, you have an escrow account. It may or may not cover all of these charges. Ask us.

Summary of your settlement charges

A	Your Adjusted Origination Charges (See page 2.)	\$
B	Your Charges for All Other Settlement Services (See page 2.)	\$
A + B	Total Estimated Settlement Charges	\$



GFE



Good Faith Estimate

- standardized form
- key loan terms & costs
- consolidated charges
- established tolerances
- applied yield spread premiums



GFE Notice Requirements

- provided no later than 3 business days by hand, mail, fax, email
- not required if application denied or withdrawn by borrower
- may be provided by mortgage broker, but lender is responsible



GFE Triggers

- borrower's name
- Social Security number
- property address
- monthly income
- house value or best estimate
- amount of loan



GFE Triggers

- any other information deemed necessary
- may not collect supplemental documentation from borrower or verify at GFE stage
- cost of providing GFE limited to credit report



Good Faith Estimate (GFE)

[Print Form](#)

Name of Originator
Originator Address
Originator Phone Number
Originator Email

Borrower
Property Address
Date of GFE

Purpose

This GFE gives you an estimate of your settlement charges and loan terms if you are approved for this loan. For more information, see HUD's *Special Information Booklet* on settlement charges, your *Truth-in-Lending Disclosures*, and other consumer information at www.hud.gov/respa. If you decide you would like to proceed with this loan, contact us.

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3. After you lock your interest rate, you must go to settlement within days (your rate lock period) to receive the locked interest rate.
4. You must lock the interest rate at least days before settlement.

Summary of your loan

Your initial loan amount is	\$
Your loan term is	years
Your initial interest rate is	%
Your initial monthly amount owed for principal, interest, and any mortgage insurance is	\$ per month
Can your interest rate rise?	<input type="checkbox"/> No <input type="checkbox"/> Yes, it can rise to a maximum of %. The first change will be in .
Even if you make payments on time, can your loan balance rise?	<input type="checkbox"/> No <input type="checkbox"/> Yes, it can rise to a maximum of \$
Even if you make payments on time, can your monthly amount owed for principal, interest, and any mortgage insurance rise?	<input type="checkbox"/> No <input type="checkbox"/> Yes, the first increase can be in and the monthly amount owed can rise to \$. The maximum it can ever rise to is \$.
Does your loan have a prepayment penalty?	<input type="checkbox"/> No <input type="checkbox"/> Yes, your maximum prepayment penalty is \$.
Does your loan have a balloon payment?	<input type="checkbox"/> No <input type="checkbox"/> Yes, you have a balloon payment of \$ due in years.

Escrow account information

Some lenders require an escrow account to hold funds for paying property taxes or other property-related charges in addition to your monthly amount owed of \$.

Do we require you to have an escrow account for your loan?

☐ No, you do not have an escrow account. You must pay these charges directly when due.

☐ Yes, you have an escrow account. It may or may not cover all of these charges. Ask us.

Summary of your settlement charges

A	Your Adjusted Origination Charges (See page 2.)	\$
B	Your Charges for All Other Settlement Services (See page 2.)	\$
A + B	Total Estimated Settlement Charges	\$



GFE

Page 1

Important Dates

1. The interest rate for this GFE is available through . After this time, the interest rate, some of your loan Origination Charges, and the monthly payment shown below can change until you lock your interest rate.
2. This estimate for all other settlement charges is available through .
3. After you lock your interest rate, you must go to settlement within days (your rate lock period) to receive the locked interest rate.
4. You must lock the interest rate at least days before settlement.

Summary of your loan

Your initial loan amount is	\$	
Your loan term is	years	
Your initial interest rate is	%	
Your initial monthly amount owed for principal, interest, and any mortgage insurance is	\$ per month	
Can your interest rate rise?	<input type="checkbox"/> No	<input type="checkbox"/> Yes, it can rise to a maximum of %. The first change will be in .
Even if you make payments on time, can your loan balance rise?	<input type="checkbox"/> No	<input type="checkbox"/> Yes, it can rise to a maximum of \$
Even if you make payments on time, can your monthly amount owed for principal, interest, and any mortgage insurance rise?	<input type="checkbox"/> No	<input type="checkbox"/> Yes, the first increase can be in and the monthly amount owed can rise to \$. The maximum it can ever rise to is \$.
Does your loan have a prepayment penalty?	<input type="checkbox"/> No	<input type="checkbox"/> Yes, your maximum prepayment penalty is \$.
Does your loan have a balloon payment?	<input type="checkbox"/> No	<input type="checkbox"/> Yes, you have a balloon payment of \$ due in years.



FHA Monthly Interest

The monthly accrual of interest on an FHA loan is not considered a prepayment penalty.

Does your loan have a prepayment penalty?	<input type="checkbox"/> No	<input type="checkbox"/> Yes, your maximum prepayment penalty is \$
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Escrow account information

Some lenders require an escrow account to hold funds for paying property taxes or other property-related charges in addition to your monthly amount owed of \$.

Do we require you to have an escrow account for your loan?

- ☐ No, you do not have an escrow account. You must pay these charges directly when due.
- ☐ Yes, you have an escrow account. It may or may not cover all of these charges. Ask us.

Summary of your settlement charges

A	Your Adjusted Origination Charges (See page 2.)	\$
B	Your Charges for All Other Settlement Services (See page 2.)	\$
A + B	Total Estimated Settlement Charges	\$

Good Faith Estimate (HUD-GFE) 1

Understanding
your estimated
settlement charges

Some of these charges
can change at settlement.
See the top of page 3 for
more information.

Your Adjusted Origination Charges									
1. Our origination charge This charge is for getting this loan for you.									
2. Your credit or charge (points) for the specific interest rate chosen <input type="checkbox"/> The credit or charge for the interest rate of <input type="text"/> % is included in "Our origination charge." (See item 1 above.) <input type="checkbox"/> You receive a credit of \$ <input type="text"/> for this interest rate of <input type="text"/> %. This credit reduces your settlement charges. <input type="checkbox"/> You pay a charge of \$ <input type="text"/> for this interest rate of <input type="text"/> %. This charge (points) increases your total settlement charges. The tradeoff table on page 3 shows that you can change your total settlement charges by choosing a different interest rate for this loan.									
A Your Adjusted Origination Charges	\$ <input type="text"/>								
Your Charges for All Other Settlement Services									
3. Required services that we select These charges are for services we require to complete your settlement. We will choose the providers of these services. <table border="1"> <thead> <tr> <th>Service</th> <th>Charge</th> </tr> </thead> <tbody> <tr><td> </td><td> </td></tr> <tr><td> </td><td> </td></tr> <tr><td> </td><td> </td></tr> </tbody> </table>	Service	Charge							
Service	Charge								
4. Title services and lender's title insurance This charge includes the services of a title or settlement agent, for example, and title insurance to protect the lender, if required.									
5. Owner's title insurance You may purchase an owner's title insurance policy to protect your interest in the property.									
6. Required services that you can shop for These charges are for other services that are required to complete your settlement. We can identify providers of these services or you can shop for them yourself. Our estimates for providing these services are below. <table border="1"> <thead> <tr> <th>Service</th> <th>Charge</th> </tr> </thead> <tbody> <tr><td> </td><td> </td></tr> <tr><td> </td><td> </td></tr> </tbody> </table>	Service	Charge							
Service	Charge								
7. Government recording charges These charges are for state and local fees to record your loan and title documents.									
8. Transfer taxes These charges are for state and local fees on mortgages and home sales.									
9. Initial deposit for your escrow account This charge is held in an escrow account to pay future recurring charges on your property and includes <input type="checkbox"/> all property taxes, <input type="checkbox"/> all insurance, and <input type="checkbox"/> other <input type="text"/> .									
10. Daily interest charges This charge is for the daily interest on your loan from the day of your settlement until the first day of the next month or the first day of your normal mortgage payment cycle. This amount is \$ <input type="text"/> per day for <input type="text"/> days (if your settlement is <input type="text"/>).									
11. Homeowner's insurance This charge is for the insurance you must buy for the property to protect from a loss, such as fire. <table border="1"> <thead> <tr> <th>Policy</th> <th>Charge</th> </tr> </thead> <tbody> <tr><td> </td><td> </td></tr> </tbody> </table>	Policy	Charge							
Policy	Charge								
B Your Charges for All Other Settlement Services	\$ <input type="text"/>								
A + B Total Estimated Settlement Charges	\$ <input type="text"/>								



GFE
Page 2



Block 1, “Our Origination Charge”

Must contain ALL charges by
ALL loan originators in the transaction

Block 1, “Our Origination Charge”



May NOT change
after GFE is issued

Block 2, Your Credit or Charge



Check only one:

- ☐ Credit or Charge included in
“Our origination charge”
- ☐ You receive credit of \$___ for interest
rate (reduces settlement charges)
- ☐ You pay charge of \$___ for interest
rate (increases settlement charges)

Example

Your Adjusted Origination Charges

1. Our origination charge

This charge is for getting this loan for you.

\$6,250.00

2. Your credit or charge (points) for the specific interest rate chosen

☐ The credit or charge for the interest rate of % is included in "Our origination charge." (See item 1 above.)

☒ You receive a credit of \$ for this interest rate of %. This credit **reduces** your settlement charges.

☐ You pay a charge of \$ for this interest rate of %. This charge (points) **increases** your total settlement charges.

The tradeoff table on page 3 shows that you can change your total settlement charges by choosing a different interest rate for this loan.

-\$3,000.00

A

Your Adjusted Origination Charges

\$

\$3,250.00

All Other Settlement Services

3. Required services that we select These charges are for services we require to complete your settlement. We will choose the providers of these services.		\$4,878.00
<i>Service</i>	<i>Charge</i>	
Appraisal/Credit Report	\$250/\$40	
Tax Service/Flood Certification	\$76/\$12	
Upfront Mortgage Insurance Premium	\$4,500.00	
4. Title services and lender's title insurance This charge includes the services of a title or settlement agent, for example, and title insurance to protect the lender, if required.		\$925.00
5. Owner's title insurance You may purchase an owner's title insurance policy to protect your interest in the property.		\$725.00
6. Required services that you can shop for These charges are for other services that are required to complete your settlement. We can identify providers of these services or you can shop for them yourself. Our estimates for providing these services are below.		\$270.00
<i>Service</i>	<i>Charge</i>	
Survey	\$225.00	
Pest Inspection	\$45.00	



Written List

If a loan originator permits a borrower to shop for services (Block 4, 5 & 6), the loan originator must provide a written list of providers the estimates were based on.

Written List



- Must be provided with GFE on a separate piece of paper
- May include more than one provider of each shoppable service.
- If an affiliate is listed, other providers should also be included.

All Other Settlement Services

7. Government recording charges These charges are for state and local fees to record your loan and title documents.	\$50.00						
8. Transfer taxes These charges are for state and local fees on mortgages and home sales.	\$1,368.00						
9. Initial deposit for your escrow account This charge is held in an escrow account to pay future recurring charges on your property and includes <input checked="" type="checkbox"/> all property taxes, <input checked="" type="checkbox"/> all insurance, and <input type="checkbox"/> other <input type="text"/> .	\$306.60						
10. Daily interest charges This charge is for the daily interest on your loan from the day of your settlement until the first day of the next month or the first day of your normal mortgage payment cycle. This amount is \$ <input type="text" value="50.00"/> per day for <input type="text" value="2"/> days (if your settlement is <input type="text" value="12/30/08"/>).	\$100.00						
11. Homeowner's insurance This charge is for the insurance you must buy for the property to protect from a loss, such as fire. <table data-bbox="205 1208 1499 1364"> <thead> <tr> <th data-bbox="205 1208 976 1256"><i>Policy</i></th><th data-bbox="976 1208 1499 1256"><i>Charge</i></th></tr> </thead> <tbody> <tr> <td data-bbox="205 1256 976 1313">Insure-U</td><td data-bbox="976 1256 1499 1313">\$600.00</td></tr> <tr> <td data-bbox="205 1313 976 1370"></td><td data-bbox="976 1313 1499 1370"></td></tr> </tbody> </table>	<i>Policy</i>	<i>Charge</i>	Insure-U	\$600.00			\$600.00
<i>Policy</i>	<i>Charge</i>						
Insure-U	\$600.00						

Instructions

Understanding which charges can change at settlement

This GFE estimates your settlement charges. At your settlement, you will receive a HUD-1, a form that lists your actual costs. Compare the charges on the HUD-1 with the charges on this GFE. Charges can change if you select your own provider and do not use the companies we identify. (See below for details.)

These charges cannot increase at settlement	The total of these charges can increase up to 10% at settlement	These charges can change at settlement
<ul style="list-style-type: none"> Our origination charge Your credit or charge (points) for the specific interest rate chosen (after you lock in your interest rate) Your adjusted origination charges (after you lock in your interest rate) Transfer taxes 	<ul style="list-style-type: none"> Required services that we select Title services and lender's title insurance (if we select them or you use companies we identify) Owner's title insurance (if you use companies we identify) Required services that you can shop for (if you use companies we identify) Government recording charges 	<ul style="list-style-type: none"> Required services that you can shop for (if you do not use companies we identify) Title services and lender's title insurance (if you do not use companies we identify) Owner's title insurance (if you do not use companies we identify) Initial deposit for your escrow account Daily interest charges Homeowner's insurance

Using the tradeoff table

In this GFE, we offered you this loan with a particular interest rate and estimated settlement charges. However:

- If you want to choose this same loan with lower settlement charges, then you will have a higher interest rate.
- If you want to choose this same loan with a lower interest rate, then you will have higher settlement charges.

If you would like to choose an available option, you must ask us for a new GFE.

Loan originators have the option to complete this table. Please ask for additional information if the table is not completed.

	The loan in this GFE	The same loan with lower settlement charges	The same loan with a lower interest rate
Your initial loan amount	\$	\$	\$
Your initial interest rate ¹	%	%	%
Your initial monthly amount owed	\$	\$	\$
Change in the monthly amount owed from this GFE	No change	You will pay \$ more every month	You will pay \$ less every month
Change in the amount you will pay at settlement with this interest rate	No change	Your settlement charges will be reduced by \$	Your settlement charges will increase by \$
How much your total estimated settlement charges will be	\$	\$	\$

¹ For an adjustable rate loan, the comparisons above are for the initial interest rate before adjustments are made.

Using the shopping chart

Use this chart to compare GFEs from different loan originators. Fill in the information by using a different column for each GFE you receive. By comparing loan offers, you can shop for the best loan.

	This loan	Loan 2	Loan 3	Loan 4
Loan originator name				
Initial loan amount				
Loan term				
Initial interest rate				
Initial monthly amount owed				
Rate lock period				
Can interest rate rise?				
Can loan balance rise?				
Can monthly amount owed rise?				
Prepayment penalty?				
Balloon payment?				
Total Estimated Settlement Charges				

If your loan is sold in the future

Some lenders may sell your loan after settlement. Any fees lenders receive in the future cannot change the loan you receive or the charges you paid at settlement.



GFE Page 3 Instructions

Which charges can increase

These charges cannot increase at settlement:	The total of these charges can increase up to 10% at settlement:	These charges can change at settlement:
<ul style="list-style-type: none"> ■ Our origination charge ■ Your credit or charge (points) for the specific interest rate chosen <i>(after you lock in your interest rate)</i> ■ Your adjusted origination charges <i>(after you lock in your interest rate)</i> ■ Transfer taxes 	<ul style="list-style-type: none"> ■ Required services that we select ■ Title services and lender's title insurance <i>(if we select them or you use companies we identify)</i> ■ Owner's title insurance <i>(if you use companies we identify)</i> ■ Required services that you can shop for <i>(if you use companies we identify)</i> ■ Government recording charges 	<ul style="list-style-type: none"> ■ Required services that you can shop for <i>(if you do not use companies we identify)</i> ■ Title services and lender's title insurance <i>(if you do not use companies we identify)</i> ■ Owner's title insurance <i>(if you do not use companies we identify)</i> ■ Initial deposit for your escrow account ■ Daily interest charges ■ Homeowner's insurance

Tradeoff table

	The loan in this GFE	The same loan with lower settlement charges	The same loan with a lower interest rate
Your initial loan amount	\$ 300,000	\$ 300,000	\$ 300,000
Your initial interest rate ¹	6.0 %	6.25 %	5.75 %
Your initial monthly amount owed	\$ 1,888.58	\$ 1,937.08	\$ 1,793.33
Change in the monthly amount owed from this GFE	No change	You will pay \$ 48.50 more every month	You will pay \$ 95.52 less every month
Change in the amount you will pay at settlement with this interest rate	No change	Your settlement charges will be reduced by \$ 1,500.00	Your settlement charges will increase by \$ 1,500.00
How much your total estimated settlement charges will be	\$ 12,472.60	\$ 10,972.00	\$ 13,972.60

Shopping Chart

	This loan	Loan 2	Loan 3	Loan 4
Loan originator name	ABC Loan			
Initial loan amount	300,000			
Loan term	30 years			
Initial interest rate	6.0			
Initial monthly amount owed	\$1,888.58			
Rate lock period	30 days			
Can interest rate rise?	no			
Can loan balance rise?	no			
Can monthly amount owed rise?	no			
Prepayment penalty?	no			
Balloon payment?	no			
Total Estimated Settlement Charges	\$12,472.60			



Changed Circumstances

Definition

- Acts of God, war, disaster or other emergency
 - changed or inaccurate information provided by borrower after issuance of GFE
- (e.g. credit quality, loan amount, property value, or other information)



Definition

- new information not previously relied on
- other circumstances
(e.g. boundary disputes, required flood insurance, environmental problems)



Circumstances Affecting...

If circumstances changed affecting settlement costs or loan MUST:

- provide new GFE within 3 days
- may reflect only the increased charges

Borrower Requested Changes



Loan originator may provide
new GFE within 3 days



Expired GFE

If borrower does not express intent to accept GFE, after 10 business days (or longer if specified by originator)

GFE is considered expired



Interest Rate Offer Expiration

If borrower does not lock interest rate within time period or lock expires a new GFE must be issued

AND...



New Interest Rate Offer

Only the following charges may change:

- charge or credit for interest rate chosen
- adjusted origination charges
- per diem interest
- other related loan terms
- all other charges must remain same



New Home Purchases

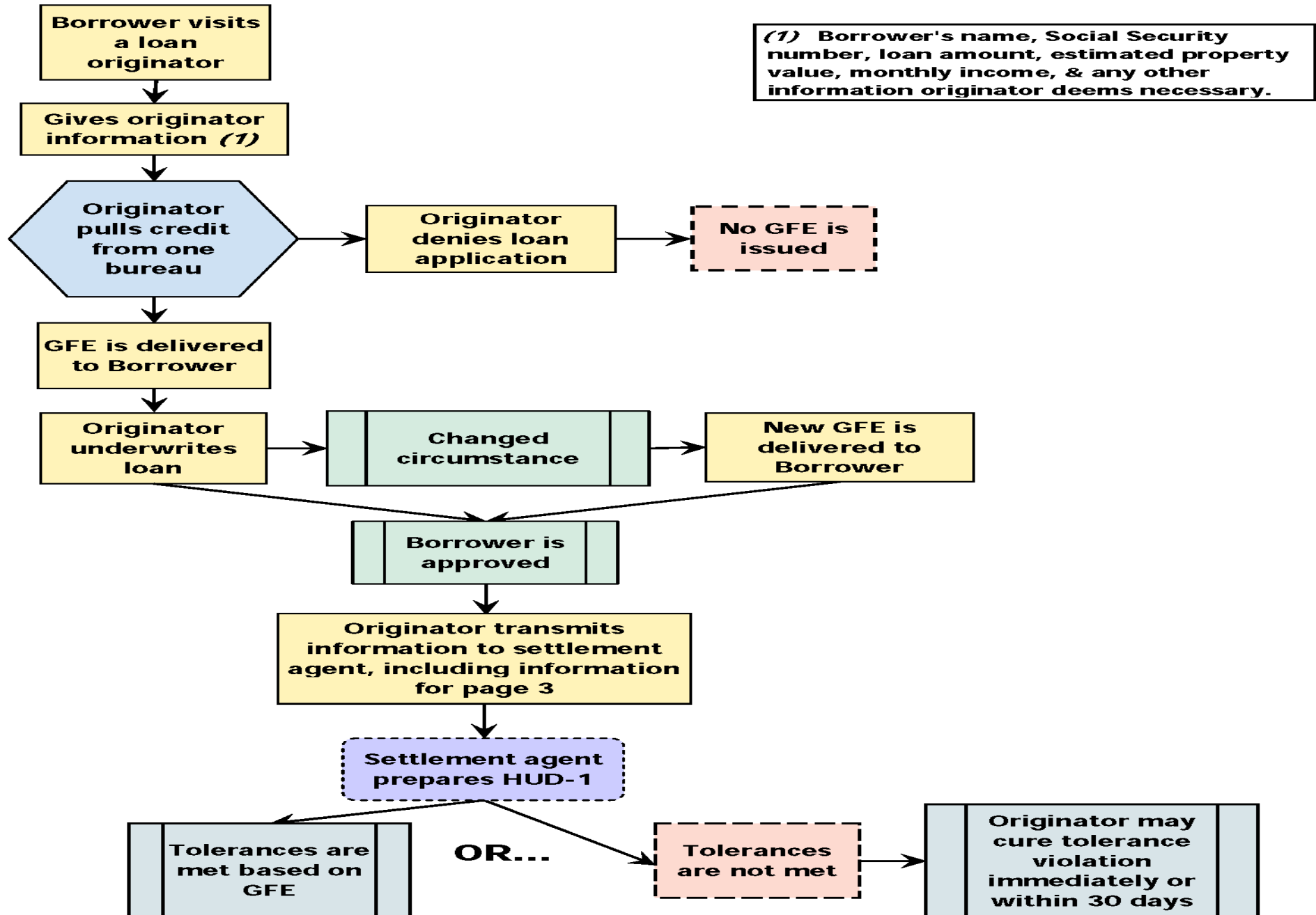
If settlement is anticipated to be more than 60 days after GFE would be provided, the originator may disclose on a separate piece of paper that the originator may issue a revised GFE at any time up to 60 days before settlement.

Right-to-cure



Charges exceeding tolerance
not a violation of RESPA Section 5
IF borrower is reimbursed within
30 calendar days after settlement

GFE Process Flowchart





A. Settlement Statement (HUD-1)

OMB Approval No. 2502-0265

B. Type of Loan		
1. <input type="checkbox"/> FHA	2. <input type="checkbox"/> RHE	3. <input type="checkbox"/> Conventional
4. <input type="checkbox"/> VA	5. <input type="checkbox"/> Conventional	
C. Note: This form is furnished to give you a statement of actual settlement costs. Amounts paid to and by the settlement agent are shown. Items marked "(p.o.c.)" were paid outside the closing; they are shown here for informational purposes and are not included in the totals.		
D. Name & Address of Borrower:		E. Name & Address of Seller:
F. Name & Address of Lender:		
G. Property Location:		H. Settlement Agent:
		I. Settlement Date:

J. Summary of Borrower's Transaction	K. Summary of Seller's Transaction
100. Gross Amount Due from Borrower	400. Gross Amount Due to Seller
101. Contract sales price	401. Contract sales price
102. Personal property	402. Personal property
103. Settlement charges to borrower (line 1400)	403.
104.	404.
105.	405.
Adjustment for items paid by seller in advance	Adjustment for items paid by seller in advance
106. City/town taxes to	406. City/town taxes to
107. County taxes to	407. County taxes to
108. Assessments to	408. Assessments to
109.	409.
110.	410.
111.	411.
112.	412.
120. Gross Amount Due from Borrower	420. Gross Amount Due to Seller
200. Amounts Paid by or in Behalf of Borrower	500. Reductions in Amount Due to Seller
201. Deposit or earnest money	501. Excess deposit (see instructions)
202. Principal amount of new loan(s)	502. Settlement charges to seller (line 1400)
203. Existing loan(s) taken subject to	503. Existing loan(s) taken subject to
204.	504. Payoff of first mortgage loan
205.	505. Payoff of second mortgage loan
206.	506.
207.	507.
208.	508.
209.	509.
Adjustments for items unpaid by seller	Adjustments for items unpaid by seller
210. City/town taxes to	510. City/town taxes to
211. County taxes to	511. County taxes to
212. Assessments to	512. Assessments to
213.	513.
214.	514.
215.	515.
216.	516.
217.	517.
218.	518.
219.	519.
220. Total Paid by/for Seller	520. Total Reduction Amount Due Seller
300. Cash at Settlement from/to Borrower	600. Cash at Settlement to/from Seller
301. Gross amount due from borrower (line 120)	601. Gross amount due to seller (line 420)
302. Less amounts paid by/for borrower (line 220)	602. Less reductions in amount due seller (line 520)
303. Cash <input type="checkbox"/> From <input type="checkbox"/> To Borrower	603. Cash <input type="checkbox"/> To <input type="checkbox"/> From Seller

The Public Reporting Burden for this collection of information is estimated at 35 minutes per response for collecting, reviewing, and reporting the data. This agency may not collect this information, and you are not required to complete this form, unless it displays a currently valid OMB control number. No confidentiality is assured; this disclosure is mandatory. This is designed to provide the parties to a RESPA covered transaction with information during the settlement process.



HUD-1 Settlement Statement

In General



- revised to compare with GFE
- categorized - eliminate fee proliferation
- 3rd party charges listed outside column
- added page to HUD-1/1A
- highlights key loan terms

In General



Inadvertent or technical errors
not a violation of RESPA Section 4
IF revised HUD-1 is provided within
30 calendar days after settlement

200. Amounts Paid by or in Behalf of Borrower	
201. Deposit or earnest money	
202. Principal amount of new loan(s)	
203. Existing loan(s) taken subject to	
204. Second mortgage principal amount \$40,000.00	
205. Second mortgage proceeds	\$38,600.00
206.	

Lines 204 – 209: principal amount of additional loans

May also show 2nd loan proceeds



HUD-1

Page 2

L. Settlement Charges						
700. Total Real Estate Broker Fees						
Division of commission (line 700) as follows:						
701. \$		to			Paid From Borrower's Funds at Settlement	Paid From Seller's Funds at Settlement
702. \$		to				
703. Commission paid at settlement						
704.						
800. Items Payable in Connection with Loan						
801. Our origination charge	\$		(from GFE #1)			
802. Your credit or charge for the specific interest rate chosen	\$		(from GFE #2)			
803. Your adjusted origination charges			(from GFE A)			
804. Appraisal fee to			(from GFE #3)			
805. Credit report to			(from GFE #3)			
806. Tax service to			(from GFE #3)			
807. Flood certification			(from GFE #3)			
808.						
900. Items Required by Lender to Be Paid in Advance						
901. Daily interest charges from	to	@ \$	/day	(from GFE #10)		
902. Mortgage insurance premium	for	months to		(from GFE #3)		
903. Homeowner's insurance	for	years to		(from GFE #11)		
904.						
1000. Reserves Deposited with Lender						
1001. Reserves or escrow				(from GFE #9)		
1002. Homeowner's insurance	months @ \$	per month	\$			
1003. Mortgage insurance	months @ \$	per month	\$			
1004. Property taxes	months @ \$	per month	\$			
1005.	months @ \$	per month	\$			
1006.	months @ \$	per month	\$			
1007. Aggregate Adjustment			-\$			
1100. Title Charges						
1101. Title services and required title insurance				(from GFE #4)		
1102. Settlement or closing fee	\$					
1103. Owner's title insurance				(from GFE #5)		
1104. Lender's title insurance premium	\$					
1105. Lender's title policy limit \$						
1106. Owner's title policy limit \$						
1107. Agent's portion of the total title insurance premium	\$					
1108. Underwriter's portion of the total title insurance premium	\$					
1200. Government Recording and Transfer Charges						
1201. Government recording charges				(from GFE #7)		
1202. Deed \$	Mortgage \$	Releases \$				
1203. Transfer taxes				(from GFE #8)		
1204. City/County tax/stamps	Deed \$	Mortgage \$				
1205. State tax/stamps	Deed \$	Mortgage \$				
1206.						
1300. Additional Settlement Charges						
1301. Required services that you can shop for				(from GFE #6)		
1302.	\$					
1303.	\$					
1304.						
1305.						
1400. Total Settlement Charges (enter on lines 103, Section J and 502, Section K)						

Fee Categories – 700s

- eliminated commission percentage
- Lines 701 & 702 = commission split
- Line 703 = disbursed commission
- Line 704 = if outside settlement; P.O.C.
(e.g. earnest money deposit held by agent or broker)

700s Example

700. Total Real Estate Broker Fees		
Division of commission (line 700) as follows :		
701. \$ 9360.00 to RE #1	Paid From Borrower's Funds at Settlement	Paid From Seller's Funds at Settlement
702. \$ 9360.00 to RE #2		
703. Commission paid at settlement		\$16,720.00
704. Earnest money deposit \$2,000 to RE #2 P.O.C.		

800. Items Payable in Connection with Loan				
801. Our origination charge	\$ 6,250.00	(from GFE #1)		
802. Your credit or charge (points) for the specific interest rate chosen	- \$ 3,000.00	(from GFE #2)		
803. Your adjusted origination charges		(from GFE #A)	\$3,250.00	
804. Appraisal fee to Appraisal Company		(from GFE #3)	\$250.00	
805. Credit report to Credit Report Company		(from GFE #3)	\$40.00	
806. Tax service to Tax Service Company		(from GFE #3)	\$76.00	
807. Flood certification to Flood Certification Company		(from GFE #3)	\$12.00	

Line 801 & 802: listed outside column
Line 803: listed inside column

800. Items Payable in Connection with Loan				
801. Our origination charge		\$ 6,250.00	(from GFE #1)	
802. Your credit or charge (points) for the specific interest rate chosen		- \$ 3,000.00	(from GFE #2)	
803. Your adjusted origination charges			(from GFE #A)	\$3,250.00
804. Appraisal fee to	Appraisal Company		(from GFE #3)	\$250.00
805. Credit report to	Credit Report Company		(from GFE #3)	\$40.00
806. Tax service to	Tax Service Company		(from GFE #3)	\$76.00
807. Flood certification to	Flood Certification Company		(from GFE #3)	\$12.00

Lines 804 thru 807: charges in borrower's column

IRS: Origination Point Disclosure

May be disclosed in Line 801...

800. Items Payable in Connection with Loan			
801. Our origination charge	Includes Origination Point (1% or \$3,000)	\$ 6,250.00	(from GFE #1)

or...

Place asterisk in Line 801 &

800. Items Payable in Connection with Loan		
801. Our origination charge **	\$ 6,250.00	(from GFE #1)

reference on bottom of page 2 on the HUD-1.

1400. Total Settlement Charges (enter on lines 103, Section J a
**Includes Origination Point (1% or \$3,000)

900. Items Required by Lender to be Paid in Advance		
901. Daily interest charges from 12/30/09 to 12/31/09 @ \$ 50.00 /day (from GFE #10)	\$100.00	
902. Mortgage insurance premium for months to FHA (from GFE #3)	\$4,500.00	
903. Homeowner's insurance for 1 years to Insure-It (from GFE #11)	\$600.00	
904.		

Lines 901 – 904: charges inside column

1000. Reserves Deposited with Lender			
1001. Reserves or escrow	(from GFE #9)	\$306.60	
1002. Homeowner's insurance	1 months @ \$50.00 per month	\$50.00	
1003. Mortgage insurance	1 months @ \$89.93 per month	\$89.93	
1004. Property taxes	2 months @ \$166.67 per month	\$333.34	
1005.	months @ \$ per month	\$	
1006.	months @ \$ per month	\$	
1007. Aggregate Adjustment	-\$ 166.67		

Line 1001: charges listed inside column

Lines 1002 – 1007: charges listed outside column



Fee Categories – 1100s

“Title services”

Means any service involved
in the provision of title insurance

“Title Service”

Includes, but is not limited to...

- title examination & evaluation
- preparation & issuance of commitment
- preparation & issuance of policies

...AND

“Title Service”

...AND

- all administrative services & processing services required to perform these functions

(e.g. document delivery, preparation & copying, wiring, endorsements, & notary)



Summary: Inside Column

Line 1101 – Title services & lender's title insurance

Line 1103 – Owner's title insurance

1100s Example

1100. Title Charges			
1101. Title services and lender's title insurance	(from GFE #4)	\$925.00	
1102. Settlement or closing fee	\$		
1103. Owner's title insurance Title Town USA/Underwriter ABC	(from GFE #5)	\$725.00	
1104. Lender's title insurance Title Town USA/Underwriter ABC	\$ 175.00		
1105. Lender's title policy limit \$ 300,000.00			
1106. Owner's title policy limit \$ 300,000.00			
1107. Agent's portion of the total title insurance premium to Title Town USA	\$ 720.00		
1108. Underwriter's portion of the total title insurance premium to Underwriter ABC	\$ 180.00		



Summary: Outside Column

Line 1102 – settlement/closing fee

Line 1104 – lender's title insurance premium
& related endorsements

Line 1105 – lender's title policy limit
(coverage)

Line 1106 – owner's title policy limit
(coverage)



Summary: Outside Column

Line 1107 - \$ of title insurance premium +
endorsements retained by agent

Line 1108 - \$ of title insurance premium +
endorsements retained by
underwriter

Line 1109 - title charges paid to 3rd parties
(et seq) identified by name & service
- may add additional lines

1100s with Itemized 3rd Party Fees

1100. Title Charges			
1101. Title services and lender's title insurance	(from GFE #4)	\$925.00	
1102. Settlement or closing fee	3rd Party Closing Company \$ 100.00		\$75.00
1103. Owner's title insurance	Title Town USA/Underwriter ABC (from GFE #5)	\$725.00	
1104. Lender's title insurance	Title Town USA/Underwriter ABC \$ 175.00		
1105. Lender's title policy limit \$ 300,000.00			
1106. Owner's title policy limit \$ 300,000.00			
1107. Agent's portion of the total title insurance premium to	Title Town USA \$ 720.00		
1108. Underwriter's portion of the total title insurance premium to	Underwriter ABC \$ 180.00		

Borrower charge outside column;
separate seller charge in seller's column



Fee Categories – 1200s

Listed in column

Line 1201 - “Government recording charges”

Line 1203 - “Transfer taxes”

1200's: Inside the column charges

1200. Government Recording and Transfer Charges				
1201. Government recording charges		(from GFE #7)	\$50.00	
1202. Deed \$ 25.00	Mortgage \$ 25.00	Release \$ 15.00		\$15.00
1203. Transfer taxes		(from GFE #8)	\$1,368.00	
1204. City/County tax/stamps	Deed \$ 684.00	Mortgage \$		
1205. State tax/stamps	Deed \$ 684.00	Mortgage \$		



Fee Categories – 1200s

Listed outside column

Line 1202 – itemized recording charges

Line 1204 – City/County/Tax stamps

Line 1205 – State tax/stamps

Line 1206 – all other itemized recording
& transfer services

1200s: Outside the column charges

1200. Government Recording and Transfer Charges				
1201. Government recording charges		(from GFE #7)	\$50.00	
1202. Deed \$ 25.00	Mortgage \$ 25.00	Release \$ 15.00		\$15.00
1203. Transfer taxes		(from GFE #8)	\$1,368.00	
1204. City/County tax/stamps	Deed \$ 684.00	Mortgage \$		
1205. State tax/stamps	Deed \$ 684.00	Mortgage \$		

1300s: Inside the column charges

1300. Additional Settlement Charges			
1301. Required services that you can shop for	(from GFE #6)	\$270.00	
1302. Survey to Measure-It	\$ 225.00		
1303. Pest inspection to Rid-A-Bug	\$ 45.00		
1304. Home Warranty to Warranty Company		\$225.00	

1300s: Outside the column charges

1300. Additional Settlement Charges			
1301. Required services that you can shop for	(from GFE #6)	\$270.00	
1302. Survey to Measure-It	\$ 225.00		
1303. Pest inspection to Rid-A-Bug	\$ 45.00		
1304. Home Warranty to Warranty Company		\$225.00	

Seller (or other) Paid Items



- all charges that were in borrower's column on the GFE; put in borrower's column on the HUD-1
- credit to borrower from seller; put on page 1 to offset charges in borrower's column

Seller (or by other) Paid Items



- credit to borrower – Lines 206 – 209
- credit to borrower from seller,
charge seller on Lines 506 – 509
- credit from party other than seller,
must identify party giving credit on
HUD-1

Seller credit example

200. Amounts Paid by or in Behalf of Borrower		500. Reductions In Amount Due to Seller	
201. Deposit or earnest money	\$2,000.00	501. Excess deposit (see instructions)	\$2,000.00
202. Principal amount of new loan(s)	\$300,000.00	502. Settlement charges to seller (line 1400)	\$16,735.00
203. Existing loan(s) taken subject to		503. Existing loan(s) taken subject to	
204.		504. Payoff of first mortgage loan	\$225,000.00
205.		505. Payoff of second mortgage loan	
206. Seller paid credit	\$2,000.00	506. Seller paid credit	\$2,000.00
207.		507.	
208.		508.	
209.		509.	



Comparison of Good Faith Estimate (GFE) and HUD-1 Charges		Good Faith Estimate	HUD-1
Charges That Cannot Increase			
Our origination charge # 801			
Your credit or charge (points) for the specific interest rate chosen # 802			
Your adjusted origination charges # 803			
Transfer taxes # 1203			
Charges That in Total Cannot Increase More Than 10%			
Government recording charges # 1201			
Total			
Increase between GFE and HUD-1 Charges		\$	or %
Charges That Can Change			
Initial deposit for your escrow account # 1001			
Daily interest charges # 901 \$ /day			
Homeowner's insurance # 903			
Loan Terms			
Your initial loan amount is	\$		
Your loan term is	years		
Your initial interest rate is	%		
Your initial monthly amount owed for principal, interest, and any mortgage insurance is	\$ includes <input type="checkbox"/> Principal <input type="checkbox"/> Interest <input type="checkbox"/> Mortgage Insurance		
Can your interest rate rise?	<input type="checkbox"/> No. <input type="checkbox"/> Yes, it can rise to a maximum of % . The first change will be on and can change again every after . Every change date, your interest rate can increase or decrease by % . Over the life of the loan, your interest rate is guaranteed to never be lower than % or higher than % .		
Even if you make payments on time, can your loan balance rise?	<input type="checkbox"/> No. <input type="checkbox"/> Yes, it can rise to a maximum of \$.		
Even if you make payments on time, can your monthly amount owed for principal, interest, and mortgage insurance rise?	<input type="checkbox"/> No. <input type="checkbox"/> Yes, the first increase can be on and the monthly amount owed can rise to \$. The maximum it can ever rise to is \$.		
Does your loan have a prepayment penalty?	<input type="checkbox"/> No. <input type="checkbox"/> Yes, your maximum prepayment penalty is \$.		
Does your loan have a balloon payment?	<input type="checkbox"/> No. <input type="checkbox"/> Yes, you have a balloon payment of \$ due in years on .		
Total monthly amount owed including escrow account payments	<input type="checkbox"/> You do not have a monthly escrow payment for items, such as property taxes and homeowner's insurance. You must pay these items directly yourself. <input type="checkbox"/> You have an additional monthly escrow payment of \$ that results in a total initial monthly amount owed of \$. This includes principal, interest, any mortgage insurance and any items checked below: <input type="checkbox"/> Property taxes <input type="checkbox"/> Homeowner's insurance <input type="checkbox"/> Flood insurance <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>		

HUD-1,
page 3

Loan Amount	Loan Term	Loan Type

Comparison of Good Faith Estimate (GFE) and HUD-1/1A Charges		Good Faith Estimate	HUD-1/1A
Charges That Cannot Increase	HUD 1/1A Line Number		
Our origination charge	# 801		
Your credit or charge for the specific interest rate chosen	# 802		
Your adjusted origination charges	# 803		
Transfer taxes	#1203		
Charges That in Total Cannot Increase More Than 10%			
	#		
	#		
	#		
	#		
	#		
	#		
	#		
	#		
Total			
Increase between GFE and HUD-1/1A Charges		\$	or %
Charges That Can Change			
Initial deposit for reserves or escrow	#1001		
Daily interest charges	# 901 \$ /day		
Homeowner's insurance	# 903		
	#		
	#		
	#		



Comparison Chart

Chart Categories



Three categories:

- charges that cannot increase
- sum of charges that cannot increase by more than 10%
- charges that can increase

Charges That Cannot Increase

Comparison of Good Faith Estimate (GFE) and HUD-1/1A Charges		Good Faith Estimate	HUD-1/1A
Charges That Cannot Increase	HUD 1/1A Line Number		
Our origination charge	# 801	\$6,250.00	\$6,500.00
Your credit or charge for the specific interest rate chosen	# 802	\$3,000.00	\$3,000.00
Your adjusted origination charges	# 803	\$3,250.00	\$3,500.00
Transfer taxes	#1203	\$1,368.00	\$1,368.00

10% Tolerance

Charges That in Total Cannot Increase More Than 10%			
Appraisal	#804	\$250.00	\$295.00
Credit Report	#805	\$40.00	\$40.00
Tax Service	#806	\$76.00	\$76.00
Flood Certification	#807	\$12.00	\$12.00
	#		
	#		
	#		
	#		
Total		\$378.00	\$423.00
Increase between GFE and HUD-1/1A Charges		\$45.00	or 12 %

10% Tolerance

Charges That in Total Cannot Increase More Than 10%			
Appraisal	#804	\$250.00	\$295.00
Credit Report	#805	\$40.00	\$40.00
Tax Service	#806	\$76.00	\$76.00
Flood Certification	#807	\$12.00	\$12.00
	#		
	#		
	#		
	#		
Total		\$378.00	\$423.00
Increase between GFE and HUD-1/1A Charges		\$45.00	or 12 %

10% Tolerance

Charges That in Total Cannot Increase More Than 10%			
Appraisal	#804	\$250.00	\$295.00
Credit Report	#805	\$40.00	\$40.00
Tax Service	#806	\$76.00	\$76.00
Flood Certification	#807	\$12.00	\$12.00
	#		
	#		
	#		
	#		
	Total	\$378.00	\$423.00
	Increase between GFE and HUD-1/1A Charges	\$45.00	or 12 %

Charges That Can Change

Charges That Can Change				
Initial deposit for reserves or escrow	#1001		\$306.60	\$306.60
Daily interest charges	# 901	\$50 /day	\$100.00	\$150.00
Homeowner's insurance	# 903		\$600.00	\$645.00
<input type="text"/>	#			



Loan Terms

Loan Terms	
Your initial loan amount is	\$ _____
Your loan term is	_____ years
Your initial interest rate is	_____ %
Your initial monthly amount owed for principal, interest, and any mortgage insurance is	\$ _____ includes <input type="checkbox"/> Principal <input type="checkbox"/> Interest <input type="checkbox"/> Mortgage Insurance
Can your interest rate rise?	<input type="checkbox"/> No. <input type="checkbox"/> Yes, it can rise to a maximum of _____ %. The first change will be on _____ and can change again every _____ after _____. Every change date, your interest rate can increase or decrease by _____ %. Over the life of the loan, your interest rate is guaranteed to never be lower than _____ % or higher than _____ %.
Even if you make your payments on time, can your loan balance rise?	<input type="checkbox"/> No. <input type="checkbox"/> Yes, it can rise to a maximum of \$ _____.
Even if you make your payments on time, can your monthly amount owed for principal, interest, and mortgage insurance rise?	<input type="checkbox"/> No. <input type="checkbox"/> Yes, it can rise to a maximum of \$ _____. The earliest it can reach this amount is _____.
Does your loan have a prepayment penalty?	<input type="checkbox"/> No. <input type="checkbox"/> Yes, your maximum prepayment penalty is \$ _____.
Does your loan have a balloon payment?	<input type="checkbox"/> No. <input type="checkbox"/> Yes, you have a balloon payment of \$ _____ due in _____ years on _____.
Total monthly amount owed including escrow account payments	<input type="checkbox"/> You do not have a monthly escrow payment for items, such as property taxes and homeowner's insurance. You must pay these items directly yourself. <input type="checkbox"/> You do have an additional monthly escrow payment of \$ _____. That results in a total initial monthly amount owed of \$ _____. This includes principal, interest, and any mortgage insurance, and any items checked below: <div style="display: flex; justify-content: space-between;"> <div> <input type="checkbox"/> Property taxes <input type="checkbox"/> Flood insurance <input type="checkbox"/> _____ </div> <div> <input type="checkbox"/> Homeowner's insurance <input type="checkbox"/> _____ <input type="checkbox"/> _____ </div> </div>

Loan Terms



- lender provides information & instructions in simple format
- settlement agent enters information
(settlement agent does not refer to loan documents to obtain information)

Loan Terms

Loan Terms	
Your initial loan amount is	\$ 300,000
Your loan term is	30 years
Your initial interest rate is	6%
Your initial monthly amount owed for principal, interest, and any mortgage insurance is	\$ 1,888.58 includes <input checked="" type="checkbox"/> Principal <input checked="" type="checkbox"/> Interest <input checked="" type="checkbox"/> Mortgage Insurance
Can your interest rate rise?	<input checked="" type="checkbox"/> No. <input type="checkbox"/> Yes, it can rise to a maximum of % . The first change will be on and can change again every after . Every change date, your interest rate can increase or decrease by % . Over the life of the loan, your interest rate is guaranteed to never be lower than % or higher than % .

Loan Terms

Even if you make payments on time, can your loan balance rise?	<input checked="" type="checkbox"/> No. <input type="checkbox"/> Yes, it can rise to a maximum of \$ <input type="text"/> .
Even if you make payments on time, can your monthly amount owed for principal, interest, and mortgage insurance rise?	<input checked="" type="checkbox"/> No. <input type="checkbox"/> Yes, the first increase can be on <input type="text"/> and the monthly amount owed can rise to \$ <input type="text"/> . The maximum it can ever rise to is \$ <input type="text"/> .
Does your loan have a prepayment penalty?	<input type="checkbox"/> No. <input checked="" type="checkbox"/> Yes, your maximum prepayment penalty is \$ <input type="text"/> .
Does your loan have a balloon payment?	<input checked="" type="checkbox"/> No. <input type="checkbox"/> Yes, you have a balloon payment of \$ <input type="text"/> due in <input type="text"/> years on <input type="text"/> .
Total monthly amount owed including escrow account payments	<input type="checkbox"/> You do not have a monthly escrow payment for items, such as property taxes and homeowner's insurance. You must pay these items directly yourself. <input checked="" type="checkbox"/> You have an additional monthly escrow payment of \$ <input type="text"/> that results in a total initial monthly amount owed of \$ <input type="text"/> . This includes principal, interest, any mortgage insurance and any items checked below: <div style="display: flex; justify-content: space-between;"> <div> <input checked="" type="checkbox"/> Property taxes <input type="checkbox"/> Flood insurance <input type="checkbox"/> <input type="text"/> </div> <div> <input checked="" type="checkbox"/> Homeowner's insurance <input type="checkbox"/> <input type="text"/> <input type="checkbox"/> <input type="text"/> </div> </div>

Right-to-cure



Inadvertent or technical errors
not a violation of RESPA Section 4
IF revised HUD-1 is provided within
30 calendar days after settlement



Average Charge

Average Charge



- calculations based on specific class of transactions
- during a specific time period
 - not less than 30 days
 - not more than 6 months
- for a specific geographical area



Average Charge

- charge may not exceed average calculation
- charge may not exceed TOTAL price paid to 3rd party provider
- settlement service providers must retain all documentation determining accuracy of pricing method for at least 3 years



Average Charge

- may not average on charges based on loan amount or property value
(e.g. transfer taxes, interest charges, escrow reserves & all insurances including title insurance)

Miscellaneous



- updated reserve/escrow account language
- allowed for ESIGN applicability

From the FAQs...



FAQs



Q: If a charge was calculated using average charge, may the charge be waived or discounted?

FAQs



A: Yes. Discounting or waiving a charge calculated using average charge is permitted.

FAQs



Q: Which lines of page 2 of the HUD-1 is a person *not* required to be identified?

FAQs



A: General rule = ALL must be identified except...

Lines 801, 802, 803, 901,
the 1000 series, 1101, 1105,
1106, 1201, 1202, 1203, 1204,
1205 and 1301.

FAQs



Q: If state law requires further itemization of title service, title insurance related fees, or title policy endorsements, how should these fees be listed on the HUD-1?

FAQs



A: Those fees may be itemized on blank lines in the 1100 series – charge outside the borrower's column.

Endorsements may be listed in Lines 1103 & 1104 – charge outside the borrower's column.

FAQs



Q: If borrower purchases a Lender's & Owner's title insurance policy & receives a simultaneous issue discount, is the discounted amount for the Lender's policy listed in Line 1104 on the HUD-1?

FAQs



A: The amount for the Lender's policy will vary according to state law & what is customary in an area.

The settlement agent must record the actual charge of the lender's title insurance premium & related endorsements in Line 1104.

FAQs



Q: How is the charge for
conducting the settlement
disclosed on the HUD-1?

FAQs



A: The charge to the borrower for conducting the settlement must be included in the total stated in the borrower's column on Line 1101 of the HUD-1.

AND...

FAQs



The total in borrower's column in Line 1101 must include amounts paid by another person on behalf of borrower & an offsetting credit must be shown on page 1 of the HUD-1.

AND...

FAQs



If seller paid, credit to borrower listed in Lines 204-209, & charge to seller listed in Lines 506-509.

If another person pays, a credit is listed in Lines 204-209 with the name of the person paying the charge.

AND...

FAQs



Any separate charge to a seller for conducting the settlement is listed in the seller's column in Line 1102.

The borrower's charge for conducting the settlement should be itemized outside the borrower's column in Line 1102 if performed by a third party.

FAQs



Q: If a borrower selects an attorney to represent the borrower's personal interests at settlement, where is this attorney's fee disclosed on the HUD-1?

FAQs



A: May be separately listed on a blank line in the 1100 series in borrower's column with the name of the attorney & the type of service provided.

FAQs



Q: Should the loan originator quote the charge for a basic owner's title insurance policy or an enhanced owner's title insurance policy on the GFE?

FAQs



A: Loan originator should quote rate for the basic owner's title insurance policy.

If borrower chooses an enhanced owner's policy before GFE is issued, loan originator should quote the rate for an enhanced policy.

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